

EXHIBIT 26
DATE 3/26/13
HB 616

2013 Montana Legislature
HOUSE JOINT RESOLUTION NO. 18
INTRODUCED BY C. CLARK
GRAY BILL, WITH AMENDMENTS

A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA REQUESTING A LEGISLATIVE INTERIM STUDY REGARDING CERTAIN ASPECTS OF THE ALCOHOL CONTROL CODE IN TITLE 16, MCA, INVOLVING LICENSING AND/OR PRIVILEGES FOR RETAILERS, BREWERS AND WHOLESALERS DISTRIBUTORS. AND OTHERS, THE STUDY BEING DESIGNED TO PROMOTE NEGOTIATIONS AMONG THOSE THREE TIERS OF THE BEER INDUSTRY, AND REQUESTING THAT FINDINGS AND RECOMMENDATIONS BE PRESENTED TO THE NEXT LEGISLATURE.

WHEREAS, The 21st Amendment to the United States Constitution allows each State to have created and, as needed, to modify, from time to time, a unique system for the control of alcoholic beverages, including beer; and

WHEREAS, Montana has, as all other 49 States have, and as the federal government has, recognized that alcohol is a unique product, and that unique product requires careful regulation; and

WHEREAS, Montana has always recognized the core purposes of the 21st Amendment which is to promote temperance, maintain an orderly market for beer, and to aid in the collection of taxes on beer, that public policy promoting the responsible consumption of alcohol by limiting retail alcohol locations;

WHEREAS, Title 16 of the Montana Code Annotated addresses the control and management of alcoholic beverages in the state and has evolved over time to address changes in licensees, privileges for licensees, new products, business relationships, and management practices; and the need for regulation to protect society, the careful balance of the economic interests of the three tiers of the beer industry; and

WHEREAS, Montana's ~~alcoholic beverage manufacturing businesses~~ beer industry now includes brewers, ~~distillers, and wineries~~ distributors and retailers who have grown to be are all significant economic contributors and offer various products for retail and wholesale sales; and

WHEREAS, Montana retail license holders, beer distributors, and beer manufacturers have common interests in a well-managed alcohol control system that meets the needs of Montanans and the visiting public; and

WHEREAS, a conflict has arisen among the three tiers of the beer industry over retail licenses and on-premise privileges which the three tiers are best suited to solve through negotiations to be promoted and monitored by an appropriate interim committee;

WHEREAS, there is a range of options that should be considered by the three tiers to the beer industry for revising or adding to, or subtracting from, the existing licensing, privileges, and regulatory structure to meet the needs of the industry, the public, agricultural interests, tourism, and the state's economy and societal protection; and

WHEREAS, a, ~~thorough~~ interim study is needed to ~~provide for~~ promote further thoughtful, systematic, and bipartisan consideration of potential changes to Title 16, MCA, to address the ~~above-stated~~ issues of on-premise consumption of beer and the licenses or privileges required for on-premise consumption.

NOW, THEREFORE, BE IT RESOLVED BY THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA:

That the Legislative Council be requested to designate an appropriate interim committee, pursuant to section 5-5-217, MCA, or direct sufficient staff resources to:

(1) conduct a ~~comprehensive~~ review of Title 16, MCA, and associated administrative rules relating to on-premise beer licensing and privileges, particularly relative to retailers, distributors, and manufacturers by promoting cooperative negotiations among the three tiers of the beer industry in Montana and requiring the participants to report back to that committee on a regular basis; and

(2) through the efforts of the beer industry's negotiations, to identify recommendations to streamline, improve, and update ~~revise~~ the alcohol on-premise beer licensing and/or privilege system ~~and regulation~~ in the state to meet the needs of the public, including safety, industry, agriculture, tourism, ~~and~~ the state's economy, and societal protection.

BE IT FURTHER RESOLVED, that ~~key~~ all interested members of the Montana beer industry, meaning beer manufacturers of all size, beer distributors, and retail license holders within the alcohol licensing system, including retailers, distributors, and manufacturers, be active participants in the study.

~~BE IT FURTHER RESOLVED, that members of agriculture industry, the tourism industry, hotel and restaurant industry, economic development interests, and regulatory agencies be active participants in the study.~~

~~—BE IT FURTHER RESOLVED, that if the study is assigned to staff, any findings or conclusions be presented to and reviewed by an appropriate committee designated by the Legislative Council.~~

BE IT FURTHER RESOLVED, that all relevant aspects of the study, including presentation and review requirements, be concluded prior to September 15, 2014.

BE IT FURTHER RESOLVED, that the final results of the study, consisting of the beer industry's negotiations and resulting reports, including any findings, conclusions, comments, or recommendations of the appropriate interim committee, be reported to the 64th Legislature.

- END -

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